

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -JUNE 17, 2008- -7:30 P.M.

Mayor Johnson convened the Regular Meeting at 7:58 p.m.
Councilmember Gilmore led the Pledge of Allegiance.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

AGENDA CHANGES

None.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(08-259) Proclamation recognizing contributions to the City by gay and lesbian residents and encouraging the community to recognize these contributions, particularly during the month of June, Gay Pride Month.

Mayor Johnson read and presented the proclamation to Maia and Liz Bradford-Ryan and Debra Arbuckle.

Mai Bradford-Ryan thanked Council for the proclamation.

Liz Bradford-Ryan thanked Council for the support in recognizing the gay, transgender, and lesbian community.

Debra Arbuckle stated that she is proud to have Council and the citizens stand up to equality when problems arise; a workshop will be held at the Main Library on June 23, 2008 at 6:30 p.m. to continue the dialog on equality.

Mayor Johnson stated the City is working on setting up a process to perform marriages at City Hall.

Speakers in support of proclamation: Morten Wellhaven, Alameda; Dr. Mary Abu-Saba, Buena Vista United Methodist Church; David McIntyer, Buena Vista United Methodist Church.

Vice Mayor Tam stated that she shares in the appreciation of the lesbian, transgender, and gay community; fourteen inquiries or requests have been received for marriage ceremonies at City Hall.

Councilmember Gilmore stated the new right [of gay marriage] brings

a whole new appreciation [of marriage].

Councilmember Matarrese stated that he is pleased that the California Supreme Court upheld the notion that is in the United States Constitution regarding equal protection under the law; continued progress should be made.

Councilmember deHaan stated prior Councils educated the community; everything is moving in the right direction.

CONSENT CALENDAR

Mayor Johnson announced that Introduction of Ordinance [paragraph no. 08-260] was removed from the Consent Calendar for discussion.

Councilmember Matarrese moved approval of the remainder of the Consent Calendar.

Vice Mayor Tam seconded the motion, which carried by unanimous voice vote - 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*08-261) Minutes of the Special City Council Meeting held on May 27, 2008; and the Special and Regular City Council Meetings held on June 3, 2008. Approved.

(*08-262) Ratified bills in the amount of \$1,867,330.46.

(*08-263) Recommendation to award Contract for Legal Advertising for Fiscal Year 2007-2008. Accepted.

(*08-264) Recommendation to award a Contract in the amount of \$163,112, including contingencies, to Saurez & Munoz Construction, Inc., for Rittler Park irrigation and field renovation improvements, No. P.W. 11-07-34. Accepted.

(*08-265) Recommendation to adopt Plans and Specifications and authorize a Call for Bids for repair of portland cement concrete sidewalk, curb, gutter, driveway, and minor street patching, Fiscal Year 2008-2009, Phase 9, No. P.W. 05-08-13. Accepted.

(*08-266) Resolution No. 14217, "Adopting a Multiple Year Resolution Authorizing the Public Works Director to Submit Grant Applications to the California Integrated Waste Management Board for All Available Grants Under the California Oil Recycling Enhancement Act for the Period of July 1, 2008 Through June 30, 2012." Adopted.

(*08-267) Resolution No. 14218, "Authorizing the City Manager to Submit a Request and Execute All Required Agreements and Documents to the Alameda County Congestion Management Agency for the Transportation for Clean Air Grant Applications, in the Amount of \$315,000, for the Signal Coordination and Transit Signal Priority Along Constitution Way Between Mariner Square Drive and Atlantic Avenue." Adopted.

(*08-268) Resolution No. 14219, "Amending Resolution No. 9460 to Reflect Current Positions and Entities to be Included in the City of Alameda's Conflict of Interest Code and Rescinding Resolution No. 14094." Adopted.

(08-269) Introduction of Ordinance Amending the Alameda Municipal Code by Amending Subsection 8-26.1 (Use of Coasters, Roller Skates, and Similar Devices Restricted) of Section 8-26 (Coasters, Skates, Etc.) of Chapter VIII (Traffic, Motor Vehicles, and Alternative Transportation Modes) and Subsection 23-1.3 (Riding of Bicycles and Skateboards in Parks, Etc.) of Section 23-1 (Parks and Squares) of Chapter XXIII (Parks, Recreation Areas and Public Property) to Expand the Prohibition to Include Skateboards and Their Use in City Owned or Leased Property, Buildings or Structures Unless Authorized by Subsection 23-1.3. Introduced.

Vice Mayor Tam stated that the intent of the ordinance to address skateboarding in the parking structure makes a lot of sense; her concern is that there might be some unintended consequences that would prevent bicyclists from riding to the parking garage racks or across a parking lot; inquired whether there is some way to isolate skateboarding concerns in parking structures owned by the City.

The City Attorney responded that there was never an intent to stop bicyclists from riding through the parking structure in order secure bikes at racks or lockers; stated the ordinance does not create a prohibition until a sign is posted; an exception could be made regarding riding a bicycle to or from a locker or rack within the parking garage.

Councilmember Matarrese stated the proposed ordinance would prohibit riding a bicycle in any public park, playground, school property, City parking lot or parking structure; bicyclists would not be able to get to racks or lockers behind the Library or parking structure; an exception should be made for bicyclists going to racks or lockers; inquired whether bicycles are governed by the rules of the road, and skateboards are not.

The City Attorney responded in the affirmative; stated the intent is that bicycling and skateboarding might be okay in some parks.

Councilmember Matarrese stated that he would like to have the proposed ordinance have an exception for bicyclists riding to park racks and lockers; he does not see any reason for a skateboarder to skate through the parking structure or parking lot.

Mayor Johnson stated bicyclists need to walk bicycles through parks to get to racks.

Councilmember deHaan stated the distinguishing factor is whether the area is accessible to vehicles; inquired whether the proposed ordinance could be modified now and move forward, to which the City Attorney responded in the affirmative.

Mayor Johnson inquired whether requiring signs is in the proposed ordinance.

The City Attorney responded the Municipal Code has two existing provisions; one addresses no skateboarding in City business districts; a sign does not need to be posted; the other provision deals with City parks; the intent is to prohibit skateboard riding in a City park if a sign is posted.

Mayor Johnson stated the ordinance should change; parks should not be cluttered with signs; the City should not be burdened with placing signs in the parks.

The City Attorney stated the City could make an outright prohibition of skateboarding in parks.

Mayor Johnson stated the ordinance should state that there are outright prohibitions unless otherwise authorized; inquired who would enforce the ordinance, to which the City Attorney responded the Police Department.

Mayor Johnson inquired whether Park Directors could be authorized to issue citations.

The City Manager responded the matter would be explored and brought back to Council.

The City Attorney read into the record the following proposed language: "It shall be unlawful, unless otherwise posted, for any person to operate or ride a bicycle or skateboard propelled wholly or in part by muscular power within or upon any public park,

playground, or school property in the City or parking lot/parking structure owned or leased by the City, except that a person may ride a bicycle to and from bicycle racks or lockers provided within any City parking lot, parking structure, or park."

Mayor Johnson stated bicyclists need to walk bicycles through parks.

The City Attorney stated "or park" could be removed.

Councilmember Matarrese moved introduction of the ordinance with the proposed, modified language.

Councilmember deHaan seconded the motion, which carried by unanimous voice vote - 5.

REGULAR AGENDA ITEMS

(08-270) Public Hearing to consider Resolution No. 14220, "Authorizing Collection of Delinquent Integrated Waste Management Accounts by Means of the Property Tax Bills." Adopted.

The Environmental Services Manager provided an updated list and a brief presentation.

Vice Mayor Tam stated the staff report notes seventy-one delinquent accounts; the updated list show forty delinquent accounts.

The Environment Services Manager stated residents had until 5:00 p.m. to pay on delinquent accounts.

Vice Mayor Tam stated that she did not reconcile the list with letters received requesting that settlement be held in abeyance until the issue can be resolved; inquired how the issue is handled.

The Environment Services Manager responded delinquent accounts remain on the list; staff works with the property owner to iron out issues.

Vice Mayor Tam inquired whether accounts do not need to be pulled from the list if property owners contacted staff.

The Environment Services Manager responded staff has been instructed to work with property owners who have protested.

Councilmember deHaan moved adoption of the resolution.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(08-271) Public Hearing and related actions regarding Alameda Ferry Services:

(08-271A) Resolution No. 14221, "Authorizing the City Manager to Apply for Regional Measure 1 Bridge Toll Funds, Including Five Percent Unrestricted State Funds and Two Percent Bridge Toll Reserve Funds for the Operating Subsidy and Capital Projects for the City of Alameda Ferry Services, and to Enter into All Agreements Necessary to Secure These Funds for Fiscal Year 2008-09." Adopted;

(08-271B) Recommendation to authorize the City Manager to execute a third amendment to the amended and restated Ferry Services Agreement with the Port of Oakland to extend the term for one additional year at a cost of \$83,117;

(08-271C) Public Hearing on the proposed implementation of a fuel surcharge for the Alameda/Oakland Ferry Service, and recommendation to authorize the City Manager to execute a one-year extension of the Blue & Gold Fleet Operating Agreement with the Alameda/Oakland Ferry Service, and execute an amendment to the Agreement to extend the term through June 30, 2010, adopt associated budgets, and approve the proposed fuel surcharge for the Alameda/Oakland Ferry Service; and

(08-271D) Public Hearing on the proposed implementation of a fuel surcharge for the Alameda Harbor Bay Ferry and recommendation to authorize the City Manager to execute a one-year extension of the Harbor Bay Maritime Ferry Operating Agreement with the Alameda Harbor Bay Ferry, and to execute an amendment to the Agreement to extend the term for one additional year, adopt associated budgets, approve Fiscal Year 2007-2008 Budget Adjustment and Measure B allocation, and approve the proposed fuel surcharge for the Alameda Harbor Bay Ferry.

The Ferry Services Manager gave a brief presentation.

Mayor Johnson inquired where is fuel bought.

The Ferry Services Manager responded the Alameda Harbor Bay Ferry (AHBF) is fueled by a truck in San Francisco; the Alameda/Oakland Ferry Service (AOFS) is fueled by using the Blue and Gold fuel tank at Pier 41.

Mayor Johnson inquired whether there is any other way to fund the increasing fuel cost; stated AC Transit is not raising rates; she

does not like to raise rates on public transit; ferry tickets are expensive already.

Councilmember Matarrese inquired whether there has been an increase in ridership and what the increase is worth in dollars relative to the amount of money that would be raised in by a surcharge.

The Ferry Services Manager responded that he does not have current figures; stated weather and other factors affect AOFS ridership significantly; AHBF is maintaining ridership; tickets are up to 768 for January, February, and March.

Councilmember Matarrese stated that he would like to have numbers come back in real dollars that show what the impact of the surcharge would be versus the delta between ridership last year and this year; he wants to see whether there is a windfall [in ridership] because fuel costs have increased.

Mayor Johnson stated public transit ridership has increased.

The Ferry Services Manager stated ferry ridership is up quite a bit; staff has not found another way to fund the increased fuel costs; the staff recommendation does not bring the full cost of offsetting the new fuel expenses; the proposal is to offset some of the increase by using the \$241,000 Measure B reserve.

Mayor Johnson requested more information on the proposed fuel surcharge; stated the Contracts could move forward.

Councilmember deHaan inquired what is the projected AHBF fare box ratio.

The Ferry Services Manager responded 42% under the assumption that Council would approve the fuel surcharge and that ridership would remain the same.

Mayor Johnson inquired what is the AOFS fare box recovery.

The Ferry Services Manager responded presently 51% to 52%; stated the projection is 54%.

Councilmember Matarrese stated that he would like to have the Contracts go forward; have an analysis done as soon as possible; have numbers presented to Council; and defer the decision on the surcharge.

Mayor Johnson stated Council could authorize the City Manager to

apply for funds.

Councilmember Matarrese moved adoption of the resolution and approval of the staff recommendations except for the implementation of fuel surcharges.

Vice Mayor Tam seconded the motion, which carried by unanimous voice vote - 5.

Vice Mayor Tam stated that a lot of staff time has been spent on the ferry system which ultimately will no longer belong to the City; inquired what is the threshold to stop spending staff time on the matter.

The City Manager responded staff would provide an update on the status of the Ferry Service transition; clarified that Council is approving all items except the proposed fuel surcharge.

ORAL COMMUNICATIONS, NON-AGENDA

(08-272) Michael John Torrey, Alameda, stated the Relay for Life will be held on June 21 and 22; Amateur Radio Week is June 21 through June 29; the City of Oakland will have disaster preparedness presentations on June 25.

(08-273) Debra Owen, Frank Bette Center for the Arts, stated the Center is willing to explore options to partner with the City to produce Art in the Park.

(08-274) Kathy Moehring, West Alameda Business Association (WABA), stated the Webster Street Jam event would be held in September; WABA's goal is to increase awareness of Alameda artists; WABA would like to have the [Art in the Park] art community be part of the Webster Street Jam event.

COUNCIL REFERRALS

None.

COUNCIL COMMUNICATIONS

(08-275) Consideration of Mayor's nominations for the Civil Service Board, Film Commission, Housing Commission, Library Board, Planning Board, Public Art Commission, Public Utilities Board, Social Service Human Relations Board and Transportation Commission.

Mayor Johnson nominated Kenneth I. Dorrance, Patricia Grey, and

Teddy B. Tabor for reappointment to the Film Commission; Aiesha P. Balde and Arthur A. Kurrasch for reappointment to the Housing Commission; Gail A. Wetzork for appointment to the Library Board; Patrick Lynch for reappointment to the Planning Board; Elizabeth A. Candelario and Eric Ibsen IV for appointment to the Public Art Commission; Peter W. Holmes for reappointment to the Public Utilities Board; Regional L. James for reappointment to the Social Service Human Relations Board; and Kathy L. Moehring for appointment to the Transportation Commission (Business District Seat).

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the Regular City Council Meeting at 8:53 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY- -JUNE 17, 2008- -6:00 P.M.

Mayor Johnson convened the Special Meeting at 6:10 p.m.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

The Special Meeting was adjourned to Closed Session to consider:

(08-257) Conference with Labor Negotiators; Agency Negotiators:
Craig Jory and Human Resources Director; Employee Organizations:
All Public Safety Bargaining Units.

(08-258) Workers' Compensation Claim (54956.95); Claimant: Robert
Cranford; Agency Claimed Against: City of Alameda.

Following the Closed Session, the Special Meeting was reconvened
and Mayor Johnson announced that regarding Labor, Council received
a briefing on the status of negotiations; regarding Claim, Council
provided settlement authority on the claim.

Adjournment

There being no further business, Mayor Johnson adjourned the
Special Meeting at 7:20 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown
Act.

MINUTES OF THE SPECIAL JOINT CITY COUNCIL,
ALAMEDA PUBLIC FINANCING AUTHORITY (APFA) AND ALAMEDA
REUSE AND REDEVELOPMENT AUTHORITY (ARRA) MEETING; AND
ANNUAL COMMUNITY IMPROVEMENT COMMISSION (CIC) MEETING
TUESDAY- -JUNE 17, 2008- -7:31 P.M.

Mayor/Chair Johnson convened the Special Joint City Council, APFA and ARRA Meeting and Annual CIC Meeting at 8:53 p.m.

ROLL CALL - Present: Councilmembers / Authority Members / Board Members / Commissioners deHaan, Gilmore, Matarrese, Tam, and Mayor/ Chair Johnson - 5.

Absent: None.

MINUTES

(08-276CC/08-03 APFA/08-35 CIC) Minutes of the Special Joint City Council, Alameda Public Financing Authority, and Community Improvement Commission Meeting held on June 3, 2008; and the Special Joint City Council, Alameda Reuse and Redevelopment Authority, and Community Improvement Commission Meeting held on June 4, 2008. Approved.

Councilmember/Authority Member/Board Member/Commissioner Matarrese moved approval of the minutes.

Councilmember/Authority Member/Board Member/Commissioner deHaan seconded the motion, which carried by unanimous voice vote - 5.

AGENDA ITEM

(08-277CC/08-04APFA) Public Hearing and related actions regarding the Fiscal Year 2008-09 Budget:

(08-277A CC) Resolution No. 14222, "Authorizing and Directing the Preparation and Execution of Certain Lease Financing Documents, Authorizing the Preparation and Distribution of a Preliminary Official Statement in Connection with the Offering and Sale of Certificates of Participation Relating Thereto, and Authorizing and Directing Certain Actions with Respect Thereto." Adopted; and

(08-04A APFA) Resolution No. 08-17, "Approving, Authorizing and Directing Preparation and Execution of Certain Lease Financing Documents and Authorizing and Directing Certain Actions with Respect Thereto." Adopted.

Mayor/Chair Johnson inquired what would be the new interest rate.

Bill Reynolds, Gardner Underwood & Bacon Financial Advisor, responded rates are excepted to produce present value savings in excess of 4%; stated the exact rate would not be known until the sale date; the assumption is that the rate would be in the mid 4% range.

Mayor/Chair Johnson inquired whether Mr. Reynolds is confident with the assumption.

Mr. Reynolds responded in the affirmative; stated the upgraded rating makes the process very competitive; refinancing would not move forward without a good rate.

Mayor/Chair Johnson stated that she was opposed to refinancing before; now she is happy to see that the term would not be extended and there would be a lower interest rate.

Councilmember/Authority Member deHaan inquired whether the first year would not have interest or principal payments and the second year would have interest payments only.

The City Manager responded interest payments would be made in the first year.

Councilmember/Authority deHaan inquired whether the cost of the loan would be amortized, to which Mr. Reynolds responded in the affirmative.

Mayor/Chair Johnson inquired what would be the estimated savings, to which the City Manager responded \$317,600.

Mr. Reynolds stated market data would be available on the date of pricing to show comparables.

Councilmember/Authority Member deHaan inquired what percentage would be the breaking point.

The City Manager responded 5.5% is set in the resolution.

Mayor/Chair Johnson inquired what is the old and new interest rate for each issuance.

The City Manager responded the original issue rates ranging from 5.8% to 7.25% would mature in 2015; \$2.77 million was issued for

the Police facility; stated Library and Golf issues in the amount of \$4.9 million have rates of 3.9% to 5.75%.

Mayor/Chair Johnson stated that a maximum should be set for each issuance.

The City Manager stated 5.5% is a blended rate; refinancing would not go forward if expected savings are not realized.

Councilmember/Authority Member Matarrese stated the 2022 date should not be exceeded; the previous proposal did not go forward because there was no savings, the term was extended, and debt would be pushed back; now, debt would not be pushed back and the term would not be extended.

Mr. Reynolds stated the interest rate and savings are two different numbers; a \$317,600 savings is the underwriter's best guess based on current market conditions; 5.5% would produce less than \$317,600 in savings.

Mayor/Chair Johnson stated the savings goal should be approximately \$317,000.

Councilmember/Authority Member Gilmore stated that anything over \$300,000 in savings works.

Councilmember/Authority Member deHaan stated that he would like the first two-year savings to be at least \$400,000.

Mayor/Chair Johnson stated that deferring debt payments is not the best way to do budgeting.

Mr. Reynolds stated that bond counsel drafted the resolution with the idea that a limit would be placed on the average interest rate.

Mayor/Chair Johnson stated the most important issue is savings; management's goal is to defer payments to limit budget cuts; that she does not want to pay more and save less due to deferring.

Mr. Reynolds stated an interest only payment would be made; savings would be limited in the first two years; the present value savings would change slightly with annual savings versus up front savings.

Councilmember/Authority Member Matarrese moved adoption of resolutions as long as the duration of the bond would be the same and the savings threshold would not be less than \$300,000.

Councilmember/Authority Member deHaan seconded the motion with the caveat that principle would be pushed out.

Under discussion, Mayor/Chair Johnson stated refinancing makes sense because the interest rate would be lower and over \$300,000 would be saved.

On the call for the question, the motion carried by unanimous voice vote - 5.

(08-277B CC) Public Hearing to consider Resolution No. 14223, "Amending Master Fee Resolution No. 12191." Adopted.

The Assistant City Manager provided a brief presentation.

Councilmember deHaan inquired what was the prior fire inspection fee.

Mayor Johnson stated a chart showing fee comparisons would have helped.

In response to Councilmember deHaan's inquiry, the Fire Marshall stated fire inspection fees are based on an hourly rate and do not have 100% cost recovery; currently, a business fire inspection fee is \$77.50; full cost recovery would be approximately \$148.

Mayor Johnson questioned whether Building staff should perform inspections instead of firefighters; stated business owners have complained about inspection fees; the proposed increase would result in more complaints.

The Fire Marshall stated the Fire Department uses civilian inspectors, which lowers the expense.

Mayor Johnson questioned what the cost would be if Building staff performed inspections.

The Fire Marshall stated Fire Department civilian inspectors have the same salary as the Building Inspectors.

Councilmember Gilmore stated Building inspectors are busy already; new personnel would need to be added.

The Fire Marshall stated that fire and storm water inspectors are very specialized and require additional training.

Councilmember Matarrese stated an 80% increase is stiff; inquired whether building fees could be raised by a very small amount over inflation in order to subsidize fire inspection fees.

The Assistant City Manager responded fees cannot be over 100% cost recovery for any service.

Councilmember deHaan stated many inspections are a one hour minimum and cost \$215; inquired how often inspections occur, to which the Fire Marshall responded annually.

Robb Ratto, Park Street Business Association (PSBA), stated increased inspection fees would put an undue burden on small businesses.

Alan Elnick, Alameda City Employees Association (ACEA), stated ACEA feels that Council should not pass a blanket resolution for a no fee increase for the Golf Course.

Mayor Johnson inquired what is the collection rate on ambulance service.

Councilmember Matarrese responded the report notes the collection rate was 51% in 2007 and excludes Medicare and Medi-Cal write offs.

Councilmember Gilmore inquired when was the last time ambulance fees were raised.

The City Manager responded rates were restructured by the County last year.

Mayor Johnson stated Council needs to know the cost recovery for ambulance service.

The Fire Chief stated the collection rate is approximately 85% if Medicare and Medi-Cal are taken out as non-collectibles; new revenue anticipates a 50% collection rate.

Mayor Johnson inquired what is the cost to provide ambulance service and how much revenue is received, to which the City Manager responded information would be provided.

Vice Mayor Tam stated Page 8 shows that \$1,297 is the base rate for the ambulance fee; inquired whether said fee is a significant portion of the City's cost for providing the service.

The Fire Chief responded the fee is close to the cost.

Mayor Johnson inquired whether the City charges above what insurance pays.

The Fire Chief responded in the affirmative; stated generally, insurance pays approximately 80%; the patient is billed the remaining 20%.

Mayor Johnson inquired what is the recovery rate for private ambulances, to which the Fire Chief responded that he did not know.

Councilmember Matarrese inquired how much of the \$300,000 would be accountable to inspection fees.

The Fire Chief responded the EMS portion is approximately \$280,000; stated inspection fees are estimated at approximately \$65,000.

The City Manager stated \$20,000 would be related to the new fees.

Councilmember Matarrese inquired whether there would be a \$15,000 shortage, to which the Fire Chief responded in the affirmative.

Councilmember Matarrese stated that he cannot see raising fees 80%.

The Fire Chief stated false alarm fees were not included and are estimated at \$20,000; \$300,000 could be achieved in new revenue if false alarm fees were included.

Mayor Johnson stated false alarm fees should be included; inquired what is sent out for a fire alarm, to which the Fire Chief responded three engines, one truck, and a Chief Officer.

Mayor Johnson inquired whether one free false alarm is allowed per quarter, to which the Fire Chief responded in the affirmative.

Mayor Johnson stated one free false alarm should be allowed every six months, not every quarter.

The City Manager stated that the Fire Department responded to 454 false alarms in 2007.

Mayor Johnson stated second false alarms fees should be raised to \$125; \$200 should be charged for the third false alarm, and \$250 for the fourth false alarm.

Councilmember deHaan inquired whether businesses have different fees, to which the City Manager responded in the negative.

Mayor Johnson stated commercial businesses should be allowed one free false alarm per year.

The Fire Chief stated fire alarms might be disconnected if restrictions are too severe.

Mayor Johnson stated commercial false alarm rates should be \$125 for the second alarm; \$250 for the third; and \$375 for the fourth.

Councilmember Matarrese stated the first free false alarm should cover a period of six months.

In response to Mayor Johnson's inquiry, the Assistant City Manager stated the Golf Commission has not recommended golf fee increases at this point.

Mayor Johnson stated said increases could come back.

The City Manager stated the last golf fee increase was not in conjunction with the annual Master Fee resolution.

Councilmember Matarrese moved adoption of the resolution with the following revisions to the Master Fee Schedule: 1) the false fire alarm schedule for residential be \$125 for the second alarm, \$200 for the third alarm and \$250 for the fourth alarm; 2) the false fire alarm for commercial be \$125 for the second alarm, \$250 for the third alarm and \$375 for the fourth alarm; 3) that the period for false fire alarms be changed from quarterly to every six months; and 4) the rest of the fees be increase by CPI.

Councilmember Gilmore inquired how much less revenue would be raised with the proposed revisions.

Mayor Johnson responded the amount is not known now; stated the matter can be brought back.

Councilmember Matarrese stated that he understands that \$280,000 of the \$300,000 comes from the ambulance fee increase; an additional \$65,000 would have come from increased fire inspection fees; revenue would drop from \$65,000 to \$15,000 by using the CPI.

Mayor Johnson stated that she wants ambulance collection fees

brought back because collection should be improved.

Councilmember Matarrese requested that information be brought back on how much the uncollected [ambulance] fees represents in dollars.

Councilmember deHaan seconded the motion.

Under discussion, Councilmember deHaan stated that Alameda goes to Oakland 273 times versus Oakland coming to Alameda 23 times; the recovery rate could change if determinations are made later.

Mayor Johnson stated the Contract should state that mutual aid should be proportionate.

Councilmember deHaan stated revenue generation would be impacted if the City does not provided services to Oakland.

The City Manager stated the issue would be monitored and adjustments would be made in the quarterly report if necessary.

Councilmember Matarrese stated reports need to be provided more than quarterly; some issues need to be monitored continually and constantly.

Mayor Johnson requested monthly reports.

On the call for the question, the motion carried by the following voice vote - Ayes: Councilmembers deHaan, Gilmore, Matarrese, Mayor Johnson - 4. Noes: Vice Mayor Tam - 1.

(08-277C CC) Public Hearing to Establish Proposition 4 Limit (Appropriation Limit) for Fiscal Year 2008-2009; and Resolution No. 14224, "Establishing Appropriations Limit for Fiscal Year 2008-09." Adopted.

Councilmember Matarrese moved adoption of the resolution.

Vice Mayor Tam seconded the motion.

Under discussion, Vice Mayor Tam stated data is based on the amount of City or County population growth and CPI; Alameda's population growth is smaller than other cities in the County; inquired where is the demand for services and commensurate need for increased costs if population growth has not increased.

Mayor Johnson responded services are decreasing, but costs are

increasing.

Vice Mayor Tam stated that complete cost recovery is recommended for some areas, but no others; there seems to be some disparity in which services are more valuable.

Councilmember Matarrese stated small businesses provide sales tax; CPI is recommended instead of cost recovery because small businesses are taking on the extra burden of property tax; businesses need to be kept alive.

Vice Mayor Tam stated that she is in support of giving small businesses a break; the City seems to be subsidizing the Golf Course.

Councilmember Gilmore stated Council had previous discussions regarding only being able to raise fees so high and get same number of players.

Mayor Johnson stated the City is not subsidizing the Golf Course now; raising golf fees would result in less revenue; golf fees would not be frozen.

Councilmember Matarrese stated the Golf Commission would be discussing the Golf Master Plan soon; looking at golf fees today would be premature.

On the call for the question, the motion carried by unanimous voice vote - 5.

Mayor Johnson stated a policy is needed regarding not having the General Fund subsidize the Golf Course.

(ARRA) Resolution No. 42, "Approving and Adopting the Operating Budget and Appropriating Certain Moneys for the Expenditures Provided in Fiscal Year 2008-09." **Adopted;**

(08-36CIC) Resolution No. 08-157, "Approving and Adopting the Operating Budget and Appropriating Certain Moneys for the Expenditures Provided in Fiscal Year 2008-09." **Adopted;**

(08-277D CC) Resolution No. 14225, "Approving and Adopting the Operating Budget and Capital Improvements and Appropriating Certain Moneys for the Expenditures Provided in Fiscal Year 2008-09 and Establishing an Other Post Employment Benefit (OPEB) Plan." **Adopted;**

(08-277E CC) Resolution No. 14226, "Establishing Guidelines for Reimbursement of Per Diem Allowance for City of Alameda Business Travel." **Adopted.**

The City Manager/Executive Director provided a handout on issue bin items from previous workshops and gave a brief presentation.

Mayor/Chair Johnson inquired what is the cost for a Park Director, to which the City Manager responded \$25,000 per year.

Mayor/Chair Johnson inquired whether \$25,000 would fully restore Park Directors at sites without reducing hours, to which the Recreation and Park Director responded in the affirmative.

Mayor/Chair Johnson stated direction should be given to not reduce Park Director hours; inquired how much it would cost to light tennis courts, to which the Recreation and Park Director responded \$7,500.

Mayor/Chair Johnson stated efforts should be made to find money to light the two tennis courts.

Councilmember/Board Member/Commissioner Gilmore inquired how long it would take to go through the \$300,000 restored to the Fire Department overtime budget.

The Fire Chief responded the current overtime usage is averaging four people per day which costs \$6,000 per day for a twenty-four hour shift.

Councilmember/Board Member/Commissioner Gilmore inquired how long it would take to implement rotating a truck out of service.

The Fire Chief responded early July; stated operationally, the Fire Department could be ready within four to six weeks; the meet and confer process would take longer.

Councilmember/Board Member/Commissioner Gilmore stated adding \$300,000 would still leave a \$520,000 shortage; inquired how the \$520,000 would be absorbed in the budget.

The City Manager/Executive Director responded overtime would still need to be managed; stated the \$520,000 would not be restored back into the budget.

Mayor/Chair Johnson stated an engine replacement plan should be

reviewed; the vehicle replacement policy may need adjustments.

The Fire Chief stated deferring purchases would build a huge, future liability; another truck is scheduled to be replaced next year.

Councilmember/Board Member/Commissioner deHaan inquired what would be the total price.

The Fire Chief responded an engine would cost between \$400,000 to \$425,000 and would have a ten to twelve-year lease.

Councilmember/Board Member/Commissioner deHaan inquired what is the compliment of Fire Department staff.

The Fire Chief responded nine firefighters have been hired due to retirement vacancies; currently, eight positions are unfunded; new hires will be necessary as retirements occur; otherwise, additional overtime would be created.

Councilmember/Board Member/Commissioner deHaan inquired how much overtime would be reduced [with new hires].

The Fire Chief responded average overtime covers four positions; stated adding two to three positions per shift would be beneficial; money would be saved in the long run.

Councilmember/Board Member/Commissioner deHaan inquired how said scenario is equated into percentage of overtime.

The Fire Chief responded that he guesses that 60% to 70% of overtime would be saved.

Councilmember/Board Member/Commissioner deHaan inquired what would be the total compliment.

The City Manager/Executive Director responded 110 funded positions are assumed for 2008-2009; stated 102 positions are for sworn officers, 8 are non-sworn.

Councilmember/Board Member/Commissioner deHaan inquired whether overtime would still exist with total staff compliment, to which the Fire Chief responded in the affirmative.

Councilmember/Board Member/Commissioner deHaan inquired what overtime costs would be with total compliment, to which the Fire

Chief responded \$200,000 to \$300,000.

Mayor/Chair Johnson stated that numbers are needed regarding hiring seven firefighters versus overtime; overtime should be reduced since nine new firefighters were hired; specific numbers are needed.

Councilmember/Board Member/Commissioner deHaan stated replacement vehicles could be deferred; additional replacements will be needed next year; inquired whether take home vehicle costs have been discussed, to which the Fire Chief responded in the negative.

Mayor/Chair Johnson stated the vehicle replacement policy needs to come back for discussion.

The City Manager/Executive Director stated the vehicle replacement policy was changed; only a limited number of safety related vehicles were identified for replacement.

Mayor/Chair Johnson inquired how much is being proposed for vehicle replacement next year.

The City Manager/Executive Director responded \$717,750, which includes some vehicles carried forward from the current fiscal year.

Mayor/Chair Johnson stated that vehicles should not be replaced until the matter is brought back to Council; shortfalls could be covered by taking less out of department budgets.

Councilmember/Board Member/Commissioner deHaan stated discussions are needed regarding deferring an engine or command vehicle replacement; a fall back position is needed.

Mayor/Chair Johnson stated \$200,000 is proposed to be spent in one year for a Fire Department command vehicle, Division Chiefs' and Deputy Chief vehicles.

The City Manager/Executive Director stated said vehicles met the criteria last year.

The Fire Chief stated delivering service in the streets takes people, good tools, and training.

Councilmember/Board Member/Commissioner Matarrese stated the issue will be revisited many times for many reasons; mechanical

assessments are needed; repair costs need to be evaluated versus replacement costs.

Mayor/Chair Johnson stated vehicle use needs to be identified; fuel efficiency needs to be reviewed if a vehicle travels a lot of miles.

The Fire Chief stated the proposal is to replace Fire Department sedans with hybrid vehicles.

Councilmember/Board Member/Commissioner Matarrese inquired whether vehicles would be replaced with the Toyota Prius.

The Fire Chief responded vehicles would be replaced with Ford Escapes.

Mayor/Chair Johnson questioned whether the command vehicle needs to be replaced next year.

Councilmember/Board Member/Commissioner deHaan stated annual fuel costs need to be reviewed for take home vehicles; decisions need to be made regarding reassigning vehicles and reduction of the overall inventory.

Vice Mayor/Board Member/Commissioner Tam stated that the proposed budget reflects a certain level of trade offs; \$300,000 would be generated through the proposed fee structure and would offset the \$820,000 in mandatory [Fire Department] overtime costs; there still would be \$520,000 in mandatory overtime cost expenditures that would be controlled through rotating the closing of a fire truck; inquired what differs other than postponement.

The Fire Chief responded hopefully some other revenues enhancements will occur in the fall; stated the additional \$300,000 would be counted on to delay the immediate closure [of a fire truck].

Mayor/Chair Johnson stated that additional funds could be generated by not replacing vehicles.

Vice Mayor/Board Member/Commissioner Tam stated said savings is not on-going.

Mayor/Chair Johnson stated continued discussions are needed regarding long-term issues.

Vice Mayor/Board Member/Commissioner Tam stated increased Police

Department grant and fee revenues would be allocated to the Crossing Guard program; the proposed rescheduling results in approximately 40% cost reduction; inquired whether the \$93,000 is expected to offset the reduction.

The Police Chief responded \$93,000 would help to recover the additional cost not budgeted for the next fiscal year.

Councilmember/Board Member/Commissioner Gilmore inquired what would be the reporting procedure for Fire Department overtime.

The City Manager/Executive Director responded the Fire Department would be monitoring the issue on a daily basis; stated monthly or quarterly reports could be presented to Council.

Councilmember/Board Member/Commissioner deHaan inquired when the Public Works Capital Improvement Program (CIP) would be addressed.

The Public Works Director responded the CIP would be adopted with the budget.

Councilmember/Board Member/Commissioner deHaan inquired what is the deferred maintenance; stated the report shows medium priority projects total \$66.5 million.

The Public Works Director responded the deferred maintenance report will be coming to Council in approximately four weeks; Council will see the Pedestrian Plan later in the year; high, medium, and low priority projects were identified for the Pedestrian Plan; appropriations will be reviewed this coming year; the only Pedestrian Project included in the next two year CIP is for access across the Estuary.

Mayor/Chair Johnson stated the concern is that \$4 million was spent from the General Fund to catch up on some of the deferred maintenance and this year \$1.5 million will be deferred.

The Public Works Director stated all Measure B funds are being used; staff was successful in receiving Proposition 1B funds.

Councilmember/Board Member/Commissioner Gilmore stated a funding stream has not been identified for other post employee benefits; the proposed General Fund budget totals \$75.4 million for the fiscal year; the accrued liability for post employment benefits was \$75.4 million as of January 2007.

Mayor/Chair Johnson stated that deferred costs are between \$75 million and \$107 million for health and safety post employment benefits.

Councilmember/Board Member/Commissioner Matarrese stated that some of the fund balance could be used to seed the trust fund.

Mayor/Chair Johnson opened the public portion of the hearing.

Speakers: Carol Quintal, Crossing Guard; Janet Crandall, Citizen Emergency Response Team (CERT); David Baker, Alameda; Fred Blass, Alameda; Christine Novosel, Crossing Guard; Christopher Buckley, Alameda; Rich Bennett, Alameda; Jeff DelBono, Alameda Firefighter; Domenick Weaver, Alameda Firefighters; Steve Floyd, Local 689; Tim McNeil, Retired Fire Chief; Diane Coler-Dark, Alameda; Chuck Millar, Alameda; Robb Ratto, PSBA; Kathy Moehring, WABA.

There being no further speakers, Mayor/Chair Johnson closed the public portion of the hearing.

* * *

(08-278CC) Councilmember/Authority Member/Board Member/Commissioner Matarrese moved approval of continuing the meeting past 12:00 midnight.

Mayor/Chair Johnson seconded the motion, which carried by unanimous voice vote - 5.

* * *

Mayor/Chair Johnson stated that the City will not be spending money on the Meyer's House; Greater Alameda Business Area (GABA) funding should not be approved until information is brought back; \$50,000 is allocated to the EcoPass program.

The Public Works Director stated the total program is approximately \$36,000; \$14,000 is from the General Fund; the AC Transit General Manager is allowed to reduce the passes by 15%.

Mayor/Chair Johnson inquired whether there is a better to way to encourage people to take public transit, such as discount tickets for BART or other forms of public transportation; suggesting performing an employee survey.

Councilmember/Board Member/Commissioner deHaan stated that open dialogue should be initiated regarding the Meyer's House; additional funding might become available.

The Recreation and Park Director stated Trust representatives have not indicated that any additional funding would be available but are willing to review how current funds are invested.

Mayor/Chair Johnson stated the community gets more per dollar for funding Park Directors than the Meyer's House.

Councilmember/Board Member/Commissioner deHaan inquired how much the Fun Fair costs.

The Recreation and Park Director responded the Fun Fair is funded through fees charged to participants; stated funding is also received through recycling grants; costs are a wash.

Mayor/Chair Johnson inquired what is the proposal regarding the Art in the Park.

The City Manager/Executive Director responded the proposal is to use money from the Public Art fund.

Mayor/Chair Johnson stated the Art in the Park should be self-sustaining.

Vice Mayor/Board Member/Commissioner Tam stated major issues still exist regarding keeping current public safety levels; Council and the community want to have a safe community; she would rather buy more time for the Fire Department than the Golf Complex.

Councilmember/Board Member/Commissioner Gilmore stated a gap would still exist if revenue raising options are placed on the November ballot and revenues start coming in January.

Mayor/Chair Johnson stated overtime needs to be monitored; the vehicle replacement policy also needs to be reviewed.

Councilmember/Board Member/Commissioner Gilmore stated the vehicle replacement policy is a mechanism to buy time.

Mayor/Chair Johnson stated the issue would be understood better when the vehicle replacement policy comes back; keeping vehicles longer might be possible.

Councilmember/Board Member/Commissioner Gilmore stated a lot of phone calls and emails have been received regarding not cutting public safety and increasing staffing levels; maintaining current

levels is difficult, let alone adding additional staff; contractual agreements cannot be made unless there is revenue in hand.

Councilmember/Board Member/Commissioner Matarrese inquired whether hiring people is a contractual obligation; stated people can be layed off; the Fire Chief mentioned that two to three positions per shift should be added; more information is needed; enough direction has been given to the City Manager/Executive Director to approve numbers provided tonight; trees need to be addressed so that further liability is not incurred; plenty of notice needs to be given before spending down the \$300,000 of overtime; some matching fund capability needs to be left to provide an incentive to the Museum; information has been requested regarding setting up a trust this year for unfunded post employment benefits.

Councilmember/Board Member/Commissioner deHaan inquired what agreement has been arrived at regarding trees.

The Public Works Director responded Zone 4 will commence July 1; Mr. Buckley suggested not pruning specific species at all, which does not make sense; structural pruning will be performed; left over money will be applied to new street tree planning.

Councilmember/Board Member/Commissioner deHaan inquired how the process would equate to manpower.

The Public Works Director responded the tree crew would be reduced by a Maintenance Worker I and a Team Leader; stated \$50,000 has been added to the Consultant Contract.

Councilmember/Board Member/Commissioner deHaan stated some of the work would be outsourced.

The Public Works Director stated all mature tree pruning is done by an outside contractor; currently, emergency response to down limbs, some new tree planting, and young tree pruning is done in house; emergency removal of down limbs and young tree pruning is being proposed to be done by existing contractor.

Councilmember/Board Member/Commissioner Gilmore stated time would be provided if the Golf Return on Investment (ROI) and surcharge were not rebated and put into the General Fund; the money would be able to fund Fire Department overtime and not take a truck out of service.

Mayor/Chair Johnson stated the projected Golf Course deficit is

approximately \$700,000; the Golf Course cash reserve is \$1.1 million; the Golf Course would still be able to cover the shortfall for this year without the rebate.

Councilmember/Board Member/Commissioner deHaan stated the 2004-2005 ROI for the Golf Course and AP&T was to be for a short period of time.

Mayor/Chair Johnson inquired whether the proposal is to rebate both the ROI and surcharge, to which the City Manager/Executive Director responded in the affirmative.

Mayor/Chair Johnson inquired how much is the surcharge.

The City Manager/Executive Director responded \$171,960; stated \$99,040 is the ROI revenue.

Mayor/Chair Johnson inquired how long the surcharge has been in place, to which the Recreation and Park Director responded since 1991.

Councilmember/Board Member/Commissioner Gilmore stated intending to fund Fire Department overtime needs to be done with the realization of buying more time in hopes that revenue enhancement ideas pass in the fall; another plan needs to be in place if the revenues do not pass.

Councilmember/Board Member/Commissioner Matarrese stated that he would support additional time being gained on the back of Golf.

Councilmember/Board Member/Commissioner deHaan stated that everything is being put on a fast track; the top priority is public safety.

Vice Mayor/Board Member/Commissioner Tam stated the \$300,000 is not going to buy enough time past the fall; having the extra \$271,000 would provide the comfort needed not to rotate a fire truck out of service.

The City Manager/Executive Director stated \$271,000 revenues would be taken from the Golf Course and added to the General Fund.

Councilmember/Board Member/Commissioner deHaan stated that three years ago he stated that the Golf Course was on a death spiral; Alameda Point is placing the City in another situation of eroding the General Fund; lease revenues needs to be increased as much as

possible; the crises is here.

Mayor/Chair Johnson stated the public is starting to understand the challenges.

Councilmember/Board Member/Commissioner Matarrese moved adoption of the resolutions with direction provided tonight; stated that he would not reiterate all points, but summarized the following direction: 1) supplement the \$300,000 [from fees] in Fire Department overtime funds with the [reinstatement of the] Golf ROI and surcharge; 2) require matching funds [of \$3,800] for the Museum subsidy [and reduce the allocation by \$7,500]; 3) use grants or savings to re-adjust the Tree Maintenance Program so that young trees are pruned and trees are replaced; 4) bring back information for putting aside a seed amount for the Trust Fund for Other Post Employment Benefits (OPEB); 5) bring back operational plans for sustaining services long-term; 6) look for funding to light the tennis court [proposed to be turned off]; 7) bring back the Vehicle Replacement Plan, including potential reduction in the fleet; 8) bring back an analysis of increasing fire staff by two to three per shift; stated the motion includes approving the numbers presented to Council [including changes outlined in the staff report: allocation of \$93,340 to the Police Department for crossing guards; use of \$25,000 in Meyers Housing funding for a Recreation Leader] and adoption of resolution Establishing Guidelines for Reimbursement of Per Diem Allowance for City of Alameda Business Travel.

Vice Mayor/Board Member/Commissioner Tam seconded the motion, which carried by unanimous voice vote - 5.

ADJOURNMENT

There being no further business, Mayor/Chair Johnson adjourned the Special Joint City Council, APFA and ARRA Meeting and Annual CIC Meeting at 12:55 a.m.

Respectfully submitted,

Lara Weisiger, City Clerk
APFA and CIC Secretary

The agenda for meeting this was posted in accordance with the Brown Act.